## **REMARKS**

Applicant respectfully requests reconsideration of the present application in view of the foregoing amendments and in view of the reasons that follow. At the time of the outstanding Office Action, claims 1, 3-9, 11-13, 15, 16 and 19-22 were pending. No amendments have been made herein. A detailed listing of all claims that are, or were, in the application, irrespective of whether the claim(s) remain under examination in the application, is presented, with an appropriate defined status identifier.

## **Prior Art Rejections:**

Claims 1-4, 6, 9, 11, 13, 15 and 20 are rejected under 35 U.S.C. 102(b) as being anticipated by Heckel (U.S. Patent No. 6,036,601). Claims 1-4, 9, 11, 13, 15 and 20 are also rejected under 35 U.S.C. 103(a) as being unpatentable over Heckel in view of Burke (U.S. Patent No. 5,848,399). Claims 5, 12, 21 and 22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Heckel in view of Kusumoto et al. (U.S. Patent No. 6,954,728) (hereinafter Kusumoto). Claims 7, 8, 16 and 19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Heckel in view of Hunter (U.S. Patent Application Pub. No. 2002/0156858). These rejections are traversed for at least the reasons given below.

Claims 1-4, 6, 9, 11, 13, 15 and 20 are rejected under 35 U.S.C. 102(b) as being anticipated by Heckel. Independent claim 1 recites the feature of "a controller for determining a particular position at which to initially place the three-dimensional advertisement image to be shown in the three-dimensional virtual space based on at least one of a specific position of the avatar within the three-dimensional virtual space and a specific direction of movement of the avatar within the three-dimensional virtual space." Analogous features can be found in independent claims 9, 13 and 20.

Heckel fails to teach this feature of the invention as claimed. Specifically, there is no teaching or suggestion in Heckel that the initial placement of an advertisement in the three-dimensional virtual space is based upon either the position of the avatar or the direction of movement of the avatar. Rather, Heckel teaches that:

"The game's virtual space will have several locations, provided in the texture information 50, where the ad textures 15 received from the ad

server 26 will be appropriate to display in lieu of the default game textures." (Heckel: column 4 line 66 to column 5, line 3)

Thus, ads are placed in the virtual world based on predetermined locations. This is in contrast to the invention as claimed in the independent claims, in which the three-dimensional advertisement system includes "controller for determining a particular position at which to initially place the three-dimensional advertisement image to be shown in the three-dimensional virtual space based on at least one of a specific position of the avatar within the three-dimensional virtual space and a specific direction of movement of the avatar within the three-dimensional virtual space." There is no teaching or suggestion in Heckel that the initial position of the ad in the virtual space is determined based on a position or movement of the avatar. Rather, as shown above, the position of the ad is based on a predetermined location in the game's virtual space, such that the ad does not provide distraction within the gaming environment.

The Examiner asserts that this feature is an inherent quality of 3-dimensional virtual modeling:

"The initial placement of the image is inherently based on the location of the user avatar in the virtual world. If a user approaches the advertisement from the left, the particular initial positioning of the advertisement will be on the right-most area of the screen, and vice versa." (page 3, lines 12-15)

However, Applicants respectfully submit that the invention as claimed is directed towards more than the position of the advertisement with regards to the avatar in the virtual world, when it is encountered. Rather, the invention as claimed requires that a controller determine a particular position at which to initially place the three-dimensional advertisement image, based upon the avatar's position and/or the avatar's movement. The Examiner is asserting that, if an advertisement is placed in a specific region, it is obvious that the initial VIEWING of that advertisement is based upon the position or movement of the avatar with respect to the virtual world (i.e. the advertisement could be on the left-most area of the screen depending upon the avatar's approach). However, it is important to note that the avatar's initial position

in the virtual world has already been determined in this instance. It is only the perspective by which the avatar views it that is variable.

Even if the Examiner's assertion were taken to be true (which it is not), the Examiner's assertion of inherency is respectfully traversed. As MPEP 2112, Section IV, paragraph 2 states:

"In relying upon the theory of inherency, the examiner must provide a basis in fact and/or technical reasoning to reasonably support the determination that the allegedly inherent characteristic necessarily flows from the teachings of the applied prior art."

Applicants respectfully submit that there is no reasoning or fact to believe that the Examiner's assertion of inherency would necessarily flow from the applied prior art (Heckel). In fact, as mentioned above, Heckel explicitly teaches that it is NOT the case that advertisements are initially placed based upon the avatar's position and/or movement:

"The game's virtual space will have several locations, provided in the texture information 50, where the ad textures 15 received from the ad server 26 will be appropriate to display in lieu of the default game textures." (Heckel: column 4 line 66 to column 5, line 3)

Thus, Heckel teaches that ads are placed in the virtual world based on predetermined locations. There is no basis for the Examiner's assertion of inherency, based upon the teachings of the prior art. Thus, if this rejection is maintained, the Examiner is respectfully requested to point out where this feature is found in the prior art.

Therefore, independent claims 1, 9, 13 and 20 are neither disclosed nor suggested by the Heckel reference and, hence, are believed to be allowable. Because they depend from independent claim 1, dependent claims 2-4, 6, 11, 12, 15, 16, 21 and 22 are believed to be allowable for at least the same reasons that independent claims 1, 9, 13 and 20 are believed to be allowable.

Claims 1-4, 9, 11, 13, 15 and 20 are also rejected under 35 U.S.C. 103(a) as being unpatentable over Heckel in view of Burke. Here, the Office brings in Burke to teach a 3-dimensional virtual world, while still relying on Heckel to teach the positioning of the

advertisement within that world. Thus, Heckel still fails to teach a three-dimensional advertisement system that includes "controller for determining a particular position at which to initially place the three-dimensional advertisement image to be shown in the three-dimensional virtual space based on at least one of a specific position of the avatar within the three-dimensional virtual space and a specific direction of movement of the avatar within the three-dimensional virtual space."

The arguments against the Examiner's assertion of inherency of the initial placement of the advertisement are equally applicable here. As above, the Examiner's assertion of inherency is respectfully traversed.

Burke does not make up for the deficiencies of Heckel as shown above. There is no teaching or suggestion in Burke of determining the initial position of an advertisement in a virtual world based upon the position of a user's avatar in that world. In fact, Burke does not deal with advertisements; rather Burke presents a virtual world of a shop, in which the user is given different views of products to gain a better display of the product. There is no teaching or suggestion in Burke of placing advertisements into the shop. Thus, neither Heckel nor Burke teach all of the features of the independent claims. If this rejection is maintained, the Office is respectfully requested to point out where these features are found in either Heckel or Burke.

As mentioned above, independent claims 1, 9, 13 and 20, and the corresponding dependent claims, are believed to be allowable.

Claims 5, 12, 21 and 22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Heckel in view of Kusumoto. Kusumoto fails to make up for the deficiencies of Heckel as shown above. Kusumoto allegedly teaches the use of audio in advertisements. There is no teaching or suggestion in Kusumoto of a three-dimensional advertisement system that includes "a controller for determining a particular position at which to initially place the three-dimensional advertisement image to be shown in the three-dimensional virtual space based on at least one of a specific position of the avatar within the three-dimensional virtual space and a specific direction of movement of the avatar within the three-dimensional virtual space." Therefore, claims 5, 12, 21 and 22 are neither disclosed nor suggested by the Heckel

and Kusumoto references and, hence, are believed to be allowable. The Patent Office has <u>not</u> made out a *prima facie* case of obviousness under 35 U.S.C. 103.

Claims 7, 8, 16, and 19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Heckel in view of Hunter. Hunter fails to make up for the deficiencies of Heckel as shown. There is no teaching or suggestion in Hunter of a three-dimensional advertisement system that includes "controller for determining a particular position where the three-dimensional advertisement image is to be shown in the three-dimensional virtual space based on at least one of a specific position of the avatar within the three-dimensional virtual space and a specific direction of movement of the avatar within the three-dimensional virtual space."

Dependent claim 7 depends from independent claim 1 and, thus, is neither disclosed nor suggested by the Heckel reference for at least the same reasons that independent claim 1 is neither disclosed nor suggested by the Heckel reference.

Independent claim 8 recites a three-dimensional advertising server with a feature that, "the three-dimensional advertising server is configured to generate the signal so as to specify that the at least one client is to move the three-dimensional advertisement image within the three-dimensional virtual space by changing a position of the three-dimensional advertisement image within the three-dimensional virtual space." Thus, the invention as claimed teaches moving an advertisement within a three-dimensional virtual space, upon the generation of a signal from a timer. Such a feature is neither disclosed nor suggested in the Heckel reference.

The outstanding Office Action fails to show citations for all of the features of claim 8. Further, the Response to Arguments asserts that:

"Applicant argues the claimed invention of claim 8 as teaching 'moving an advertisement within a three-dimensional virtual space, upon the generation of a signal from a timer... Rather, claim 8 teaches 'a transmission unit for transmitting a signal to at least one client for instructing the at least one client to show a three-dimensional advertisement image as moving within a three-dimensional virtual space.'

The time sends the signal to show the advertisement. When the

advertisement of Heckel shows up on the screen, the pixels of the advertisement moves for the reasons laid out above." (page 7, paragraph 2).

Applicants respectfully submit the Examiner's interpretation of claim 8 is invalid. While the claim does include the feature of a transmission unit, it also includes the feature that the "three-dimensional advertising server is configured to generate the signal so as to specify that the at least one client is to move the three-dimensional advertisement image within the three-dimensional virtual space by changing a position of the three-dimensional virtual model of the real item to be advertised within the three-dimensional virtual space." Thus, the server generates a signal to specify that the client is to move the advertisement in the virtual world by changing a position of the advertisement in the virtual world. Applicants respectfully submit that Heckel fails to teach such a feature.

Furthermore, Hunter does <u>not</u> cure the deficiencies with respect to the teaching of Heckel noted above. Hunter teaches selling time slots to advertisers, such that at a specific time slot, an advertisement from an advertiser will appear on a display. Thus, Hunter teaches placing an advertisement in a virtual world at a predetermined time. There is no teaching or suggestion in that the "three-dimensional advertising server is configured to generate the signal so as to specify that the at least one client is to move the three-dimensional advertisement image within the three-dimensional virtual space by changing a position of the three-dimensional virtual model of the real item to be advertised within the three-dimensional virtual space." Thus, Hunter also fails to teach the features of independent claim 8. If this rejection is maintained, the Office is respectfully requested to point out where these features are found in either Heckel or Hunter.

Therefore, claims 7, 8, 16 and 19 are neither disclosed nor suggested by the Heckel and Hunter references and, hence, are believed to be allowable. The Patent Office has <u>not</u> made out a *prima facie* case of obviousness under 35 U.S.C. 103.

## **Conclusion:**

Applicant believes that the present application is now in condition for allowance. Favorable reconsideration of the application as amended is respectfully requested.

The Examiner is invited to contact the undersigned by telephone if it is felt that a telephone interview would advance the prosecution of the present application.

The Commissioner is hereby authorized to charge any additional fees which may be required regarding this application under 37 C.F.R. §§ 1.16-1.17, or credit any overpayment, to Deposit Account No. 19-0741. Should no proper payment be enclosed herewith, as by a check or credit card payment form being in the wrong amount, unsigned, post-dated, otherwise improper or informal or even entirely missing, the Commissioner is authorized to charge the unpaid amount to Deposit Account No. 19-0741. If any extensions of time are needed for timely acceptance of papers submitted herewith, Applicant hereby petitions for such extension under 37 C.F.R. §1.136 and authorizes payment of any such extensions fees to Deposit Account No. 19-0741.

Respectfully submitted,

Date 6/20/8

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